



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS SPACE AND MISSILE SYSTEMS CENTER (AFSPC)
LOS ANGELES AIR FORCE BASE, CALIFORNIA

7 March 2003

MEMORANDUM FOR ALL TWO-LETTER OFFICES

FROM: SMC/JA

SUBJECT: Legal Review Thresholds

1. In concurrence with the Directorate of Contracting (SMC/PK), we have established the following legal review thresholds:

a. SMC Other Contracting - solicitations and contracting documents, including Justification and Approval documents: \$100K.

b. PEO/Space - solicitations and contracting documents, including Justification and Approval documents: \$500K.

2. In addition, legal review need not be obtained for funding actions made pursuant to the Limitation of Funds clause, provided that the action is taken solely to revise the obligated amount and estimated performance period covered by the funds; and there are no changes in the other terms or conditions of the contract nor in the type of funds being used. (Upon request, we will provide legal review for any funding action regardless of dollar amount.)

3. Please contact Mr. James Harley at extension 3-0096 if there are any questions.

A handwritten signature in black ink, appearing to read "Jo Ann Stringfield", is positioned above the typed name.

JO ANN STRINGFIELD, Colonel, USAF
Staff Judge Advocate

cc:
SMC/PKC

6. Legal Review

a. Legal review requirements for SMC are established as follows. (Note: For legal review threshold purposes, the solicitation or contracting document dollar amount includes the expected value of all new CLINs, including priced options, and the absolute value of all CLIN changes.)

(1) The legal review threshold for SMC Other Contracting solicitations and all contracting documents, including task orders, BPAs, modifications exercising options, and J&As, is \$100K.

(2) The legal review threshold for PEO/Space solicitations and contracting documents, including J&As, is \$500K.

b. All solicitation provisions and contract clauses of a unique and complex nature such as Organizational Conflict of Interest, Indemnification Requests, Special Termination Costs, etc. shall be submitted for legal review as a separate review as early as possible in the acquisition cycle.

c. Legal review is required for any contracting document involving hazardous material, or the generation, storage, treatment or disposal of hazardous waste.

d. Regardless of dollar amount, legal review shall be obtained for the following legal matters and problems:

(1) Ratifications.

(2) Disputes.

(3) Contractor claims at the Final Decision stage.

(4) Mistakes on bid.

(5) Protests before and after award.

(6) Terminations for default.

(7) Terminations for convenience.

(8) Use of liquidated damages provisions.

(9) Debarment or suspension actions.

(10) Issues dealing with licensing, technical data rights, and patents.

e. All change orders, documents definitizing change orders, or other modifications funded with procurement appropriations (3010, 3020, or 3080 funds), or O & M appropriations (3400 funds), whose appropriation year is not the same as that used for the performance of the basic effort, shall be submitted for legal review to ensure such obligation does not violate funding statutes (e.g. legal review is required where the basic contract obligated FY 1998 3020 funds but the modification obligates FY 2003 3020 funds).

f. Legal review need not be obtained for funding actions made pursuant to the Limitation of Funds clause:

(1) which are made solely to revise the obligated amount and estimated performance period covered by the funds; and

(2) where there are no changes in the other terms of conditions of the contract nor in type of funds being used. (Upon request, SMC/JAQ will provide legal review for any funding action regardless of dollar amount.)

g. Obtain legal review of competitive contract actions before the request for clearance. Obtain review of noncompetitive contract actions before contract execution.

h. Legal review comments shall be complied with or resolved prior to release of documents. Resubmittal for further legal review shall be accomplished:

(1) When legal coordination has been withheld.

(2) When any changes other than administrative corrections have been made to the contract instrument or to the accompanying contract file subsequent to the legal review, except where such changes are made to incorporate legal review comments when legal sufficiency of the document was made "subject to" such action.

(3) When the contractor has signed the contractual instrument with stated qualifications, conditions, or has otherwise taken exception to the terms and conditions of the instrument.

i. The contract file shall be submitted for legal review in the same form and with the same substance as the file submitted for review to the Contracting Committee.

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